

- 1. Thus far the US interests in the Societe Generale pour l'Exploration Minerale en Afrique SOGEMAF have not been able to devise a flotation process to deal with the chromite ore from the placer deposits in New Caledonia because the chromite and iron contents are in chemical combination. SOGEMAF has therefore abandoned some of its options on chromite placer deposit claims along the west coast of New Caledonia see while retaining the more promising claims. Meanwhile it has shifted its attention to the area of the Baie de Nehoué at the northwestern tip of the island in the hope of finding chrome deposits free of chemical combination with iron. There is a large area in the Baie de Nehoué which contains chrome ore and the company is now Nov 537 engaged in proving these deposits. The primary concern of the US interests in SOCEMAF is to establish a continuing source of chrome ore sufficient to meet their requirements which they do not have at present.
- 2. CAIMET Compagnie Caledonienne des Metaux is in liquidation and has all of its equipment up for auction. It was obvious to me from its inception that the company's primary operations were not sufficiently large to cover its overhead.

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